

By: Paxton

S.B. No. 1221

A BILL TO BE ENTITLED

AN ACT

relating to use of a Medicaid-based fee schedule for reimbursement of services under a contract between a health care provider and certain health benefit plans.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Chapter 1451, Insurance Code, is amended by adding Subchapter J to read as follows:

SUBCHAPTER J. REIMBURSEMENT OF HEALTH CARE PROVIDERS

Sec. 1451.451. DEFINITION. In this subchapter, "health care provider" means an individual or entity who furnishes services under a license, certificate, registration, or other authority issued by this state or another state to diagnose, prevent, alleviate, or cure a human illness or injury. The term includes a physician.

Sec. 1451.452. REIMBURSEMENT UNDER MEDICAID-BASED FEE SCHEDULE. (a) An insurance company, health maintenance organization, or preferred provider organization that contracts with a health care provider to provide services in connection with Chapter 533, Government Code, or Chapter 62, Health and Safety Code, may not require the health care provider to provide access to or transfer the provider's name and contracted discounted fee for use with health benefit plans issued to individuals and groups under Chapter 1271 or 1301.

(b) An insurance company, health maintenance organization,

1 or preferred provider organization may provide access to or
2 transfer a provider's name and discounted fee described by
3 Subsection (a) only after the provider is notified of and consents
4 in writing to the specific access to be provided or transfer to be
5 made.

6 SECTION 2. The change in law made by this Act applies only
7 to a contract entered into or renewed on or after January 1, 2014. A
8 contract entered into or renewed before January 1, 2014, is
9 governed by the law in effect immediately before the effective date
10 of this Act, and that law is continued in effect for that purpose.

11 SECTION 3. This Act takes effect September 1, 2013.